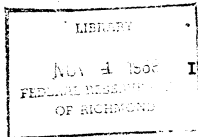


H. 13
No. 374

October 30, 1968.

CAPITAL MARKET DEVELOPMENTS ABROAD



- I. Ten Charts on Financial Markets Abroad
- II. Latest Figures Plotted in H.13 Chart Series, 1968

Capital market

I. Ten Charts on Financial Markets Abroad

- Chart 1 - New York, London: Yields on U.S. Dollar Funds
- Chart 2 - London: Yields for U.S. Dollar Investors on 3-Month Funds
- Chart 3 - Interest Arbitrage: Frankfurt/London, Zurich/London
- Chart 4 - Interest Arbitrage: New York/Canada
- Chart 5 - Interest Arbitrage: New York/London
- Chart 6 - Short-Term Interest Rates
- Chart 7 - Long-Term Bond Yields
- Chart 8 - Spot Exchange Rates--Major Currencies Against U.S. Dollar
- Chart 9 - 3-Month Forward Exchange Rates
- Chart 10 - Industrial Stock Indices

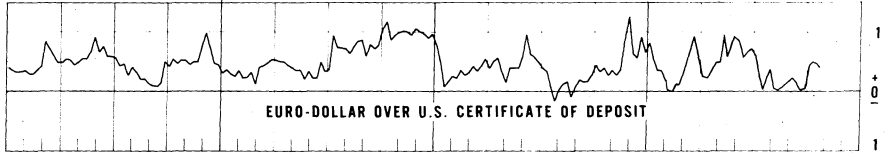
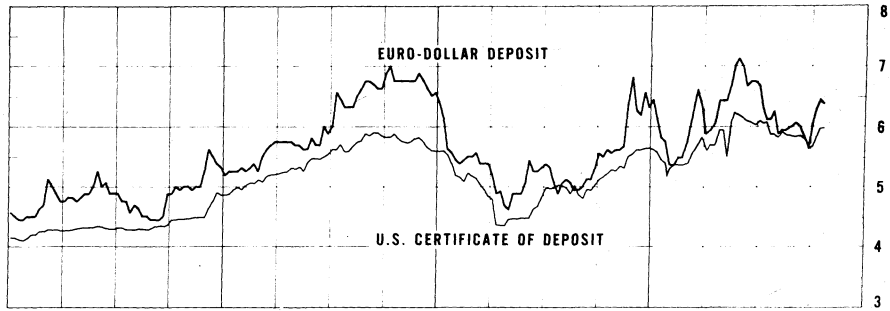
Europe and British Commonwealth Section.

NOT FOR PUBLICATION

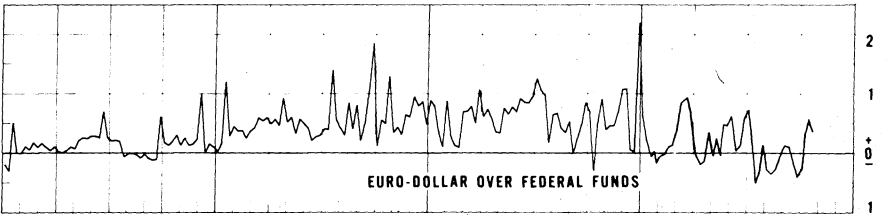
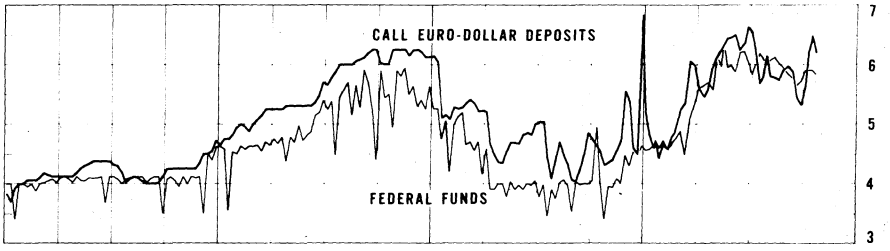
DECONTROLLED AFTER SIX MONTHS

Chart 1
NEW YORK-LONDON: YIELDS ON U.S. DOLLAR FUNDS
3-MONTH DOLLAR DEPOSIT RATES

Wednesday figures Per cent per annum



CALL EURO-DOLLAR DEPOSIT RATE VS. U.S. FEDERAL FUNDS RATE



Mar. Jun. Sept. Dec. 1965 Mar. Jun. Sept. Dec. 1966 Mar. Jun. Sept. Dec. 1967 Mar. Jun. Sept. Dec. 1968

3

Chart 2A

**LONDON: YIELDS FOR U.S. DOLLAR INVESTORS ON 3-MONTH FUNDS
EURO-DOLLAR DEPOSIT RATES**

Friday figures

Per cent per annum

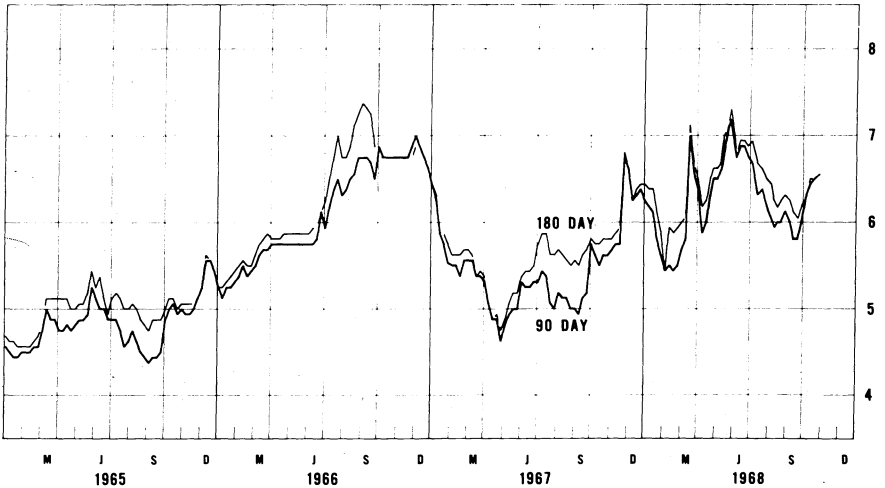
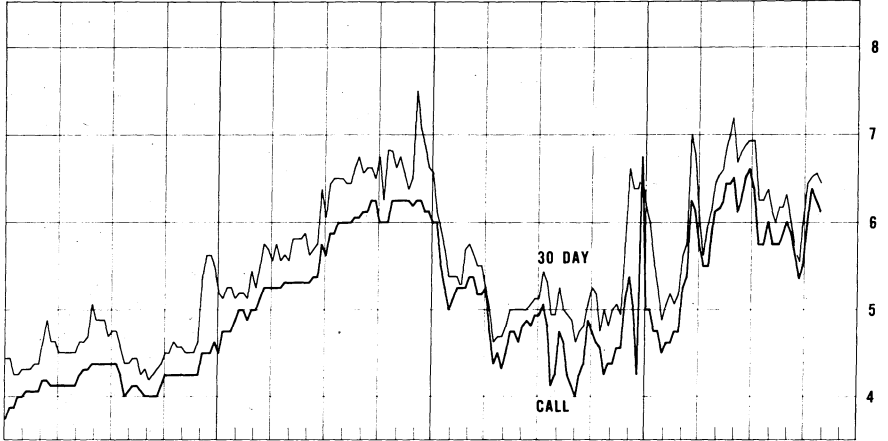


Chart 28

LONDON: YIELDS FOR U.S. DOLLAR INVESTORS ON 3-MONTH FUNDS

HIRE PURCHASE AND LOCAL AUTHORITY DEPOSIT RATES (covered)

Friday figures

Per cent per annum

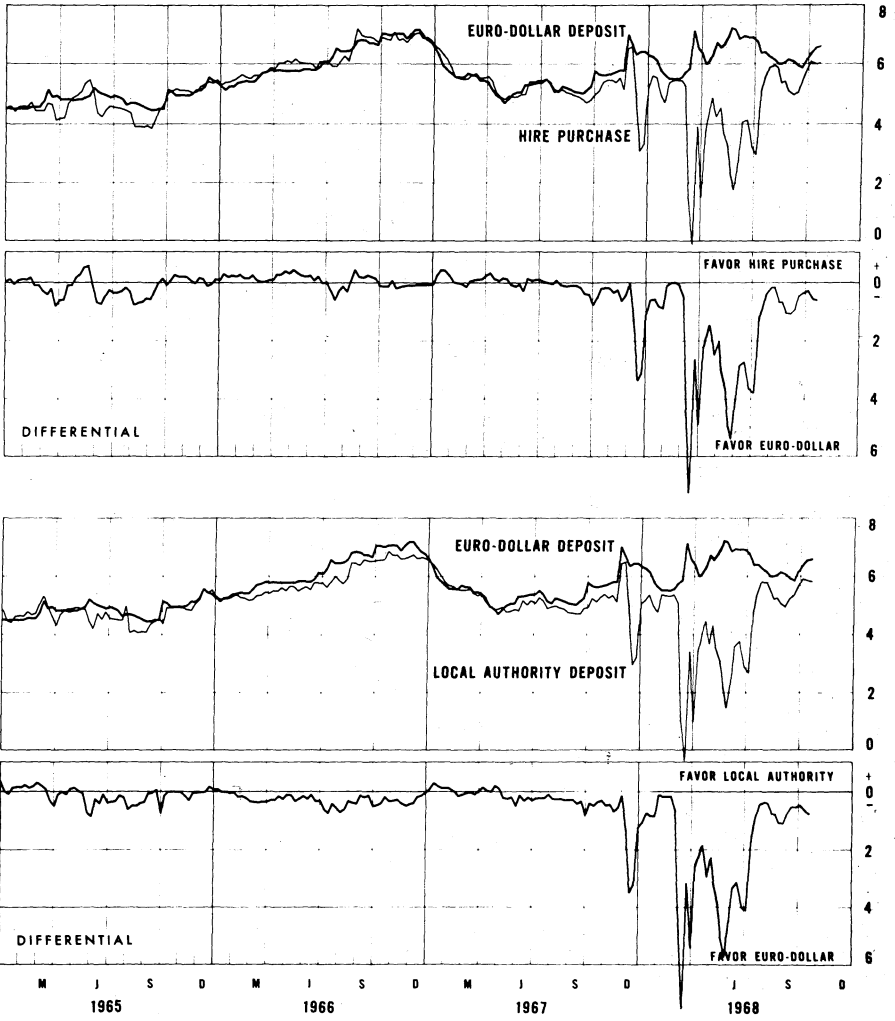
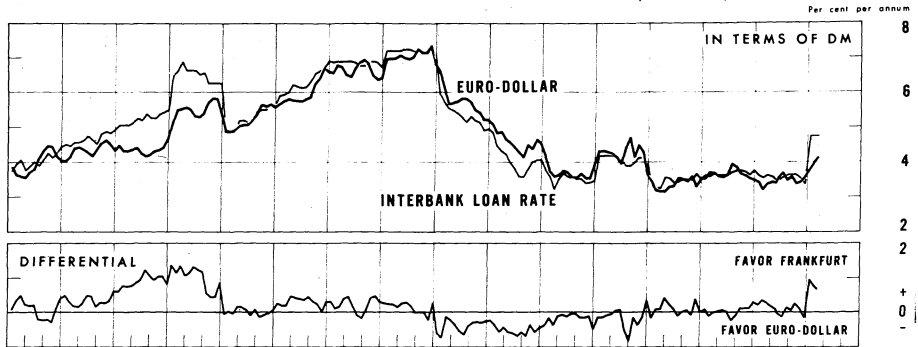
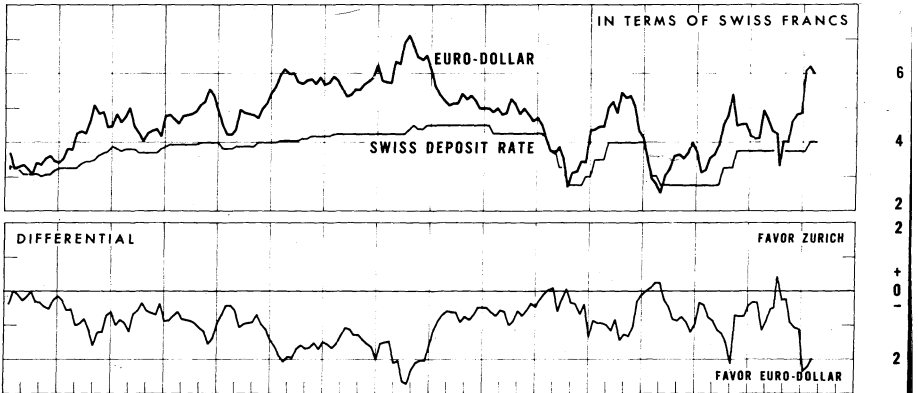


Chart 3

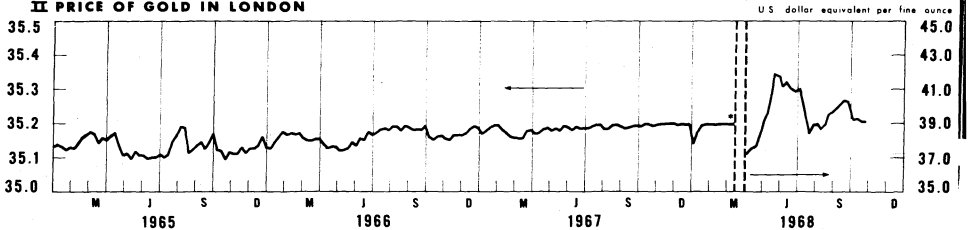
I INTEREST ARBITRAGE: FRANKFURT/LONDON, ZURICH/LONDON
FRANKFURT INTERBANK LOAN RATE VS. LONDON EURO-DOLLAR RATE (COVERED)



ZURICH DEPOSIT RATE VS. LONDON EURO-DOLLAR RATE (COVERED)



II PRICE OF GOLD IN LONDON



* Market closed March 15-April 1, 1968

Chart 4

INTEREST ARBITRAGE, UNITED STATES / CANADA

Friday figures

Per cent per annum

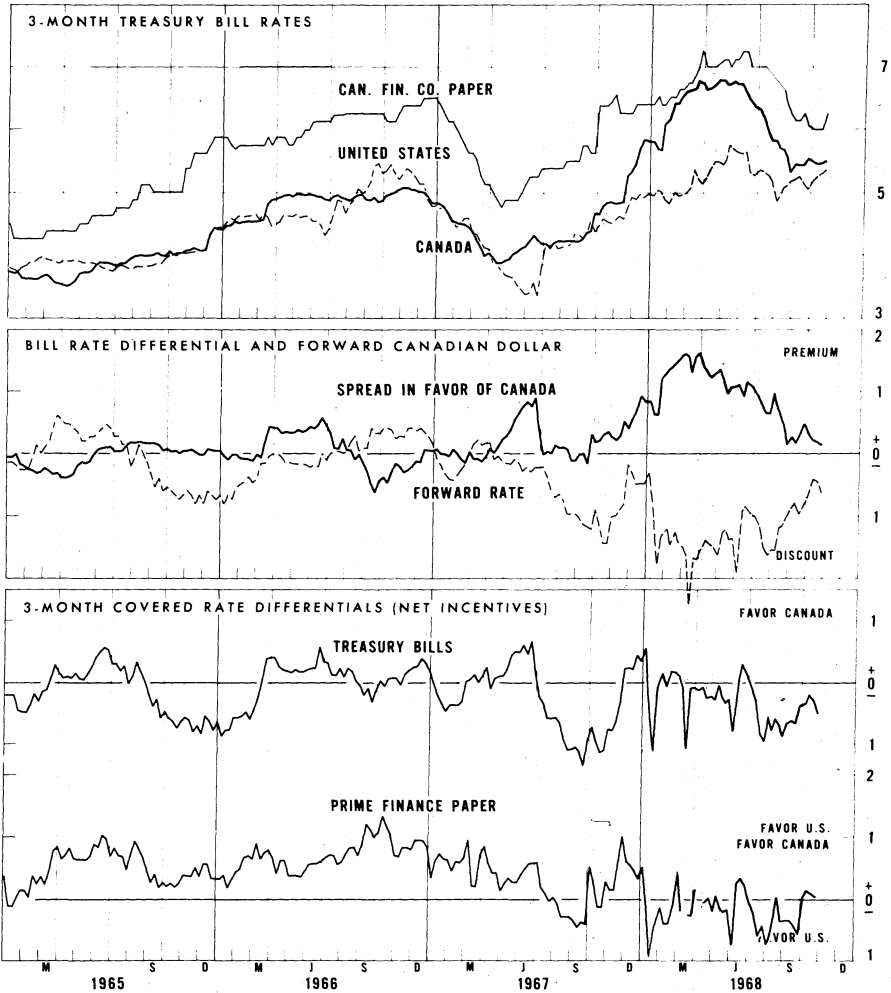
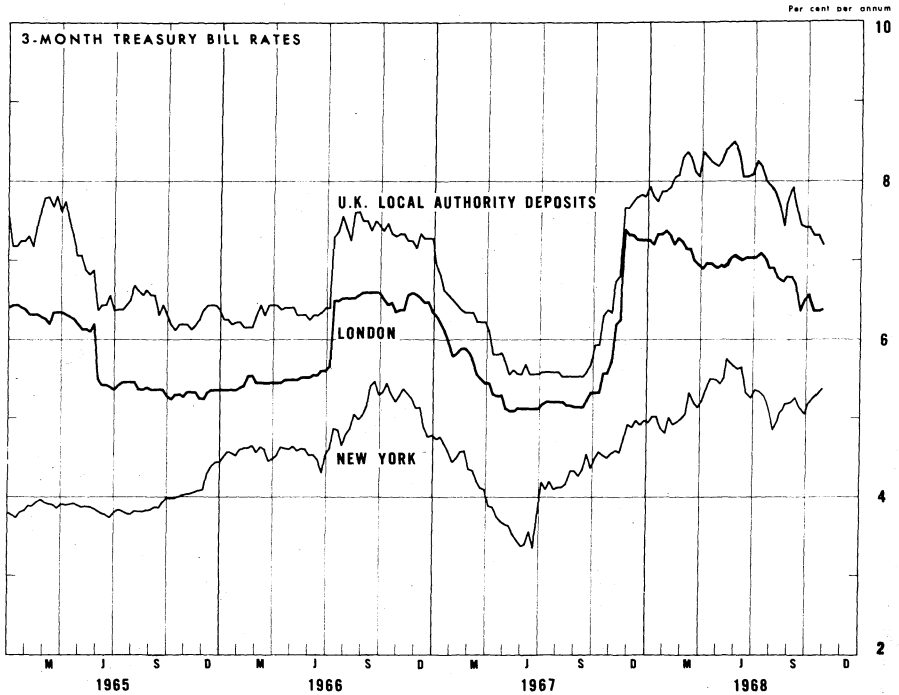


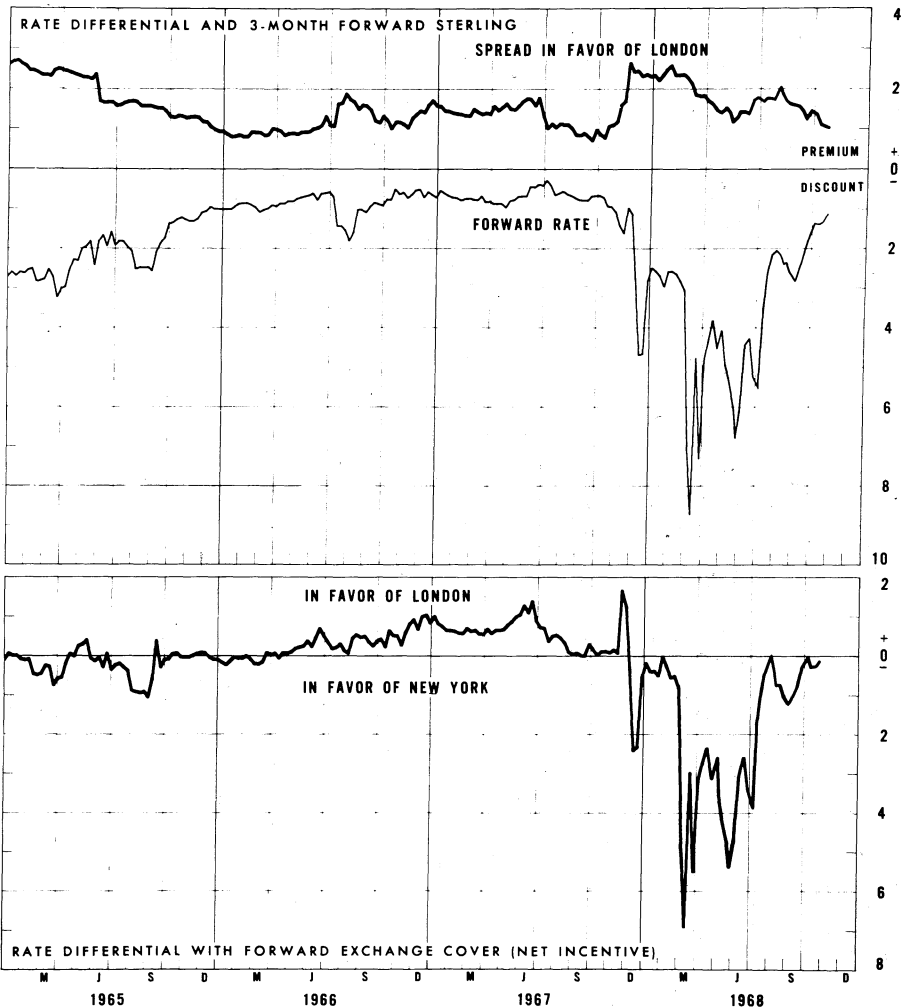
Chart 5A

INTEREST ARBITRAGE, NEW YORK/LONDON



INTEREST ARBITRAGE, NEW YORK/LONDON

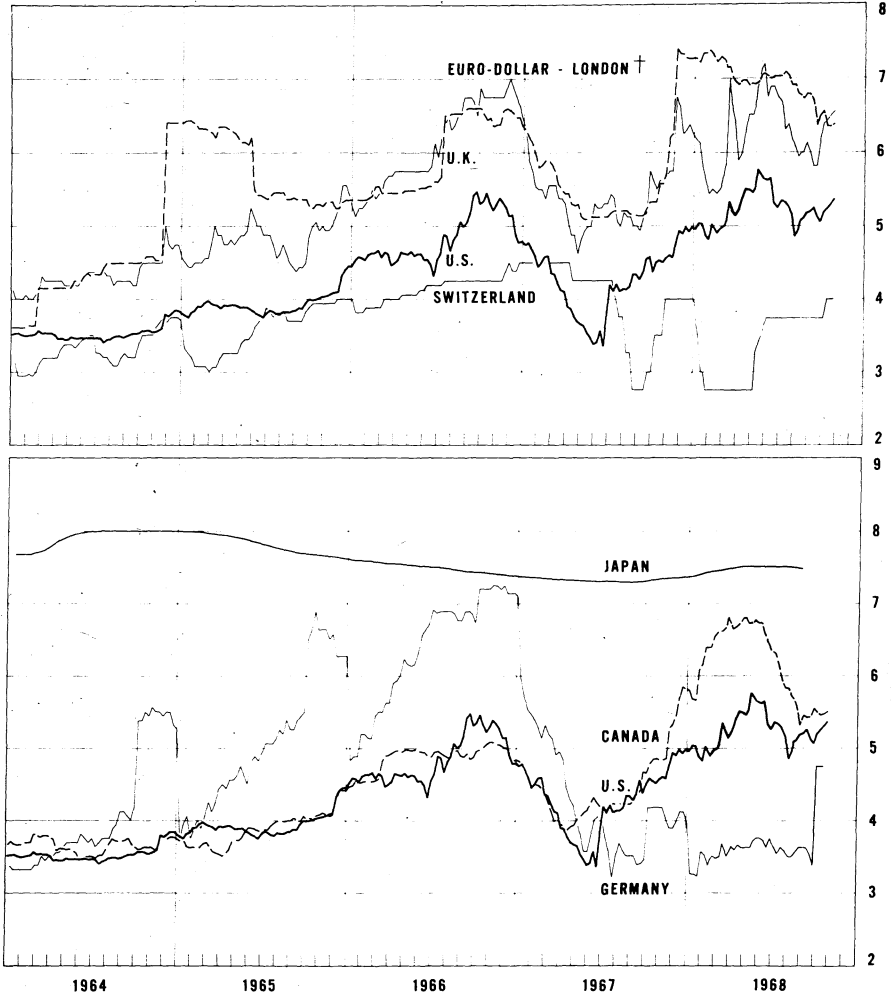
Per cent per annum



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Chart 6
SHORT-TERM INTEREST RATES*

Per cent per annum



*3 month treasury bill rates for all countries except Japan. Average rate on bank loans and discounts.
Switzerland (3 month deposit rate) and Germany (Interbank Loan Rate)

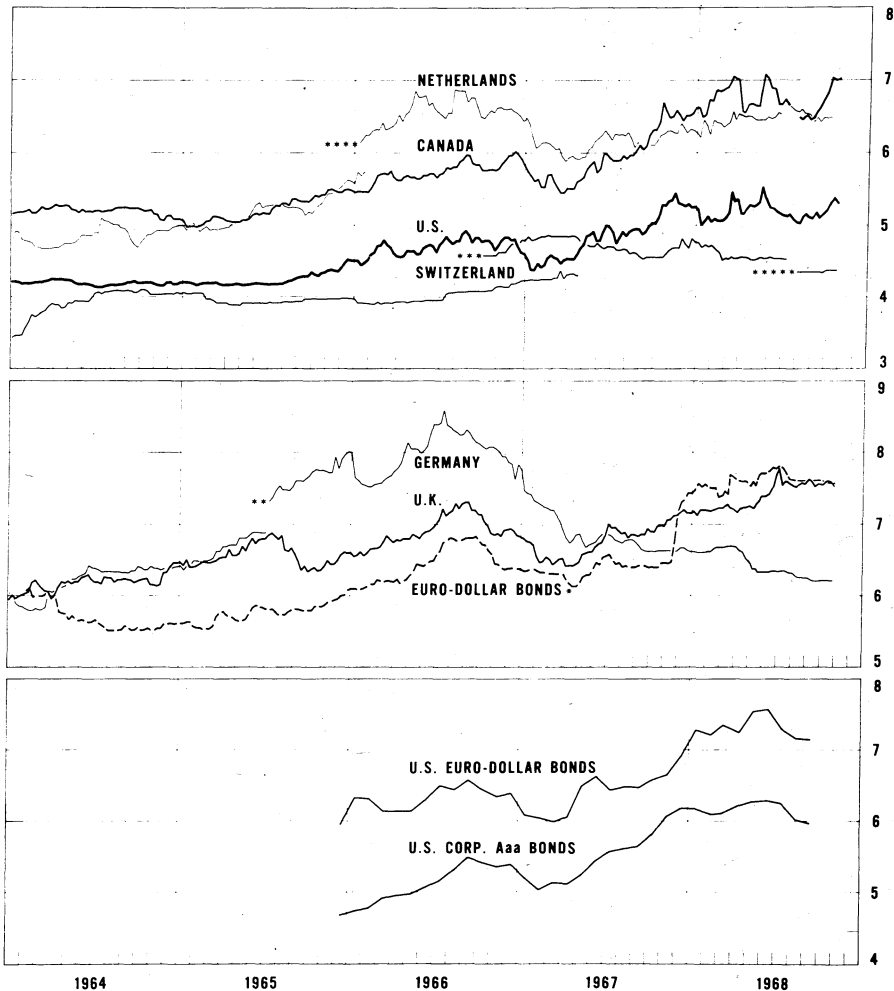
† 3-month rate for U.S. dollar deposits in London

Chart 7

LONG-TERM BOND YIELDS

Weekly figures

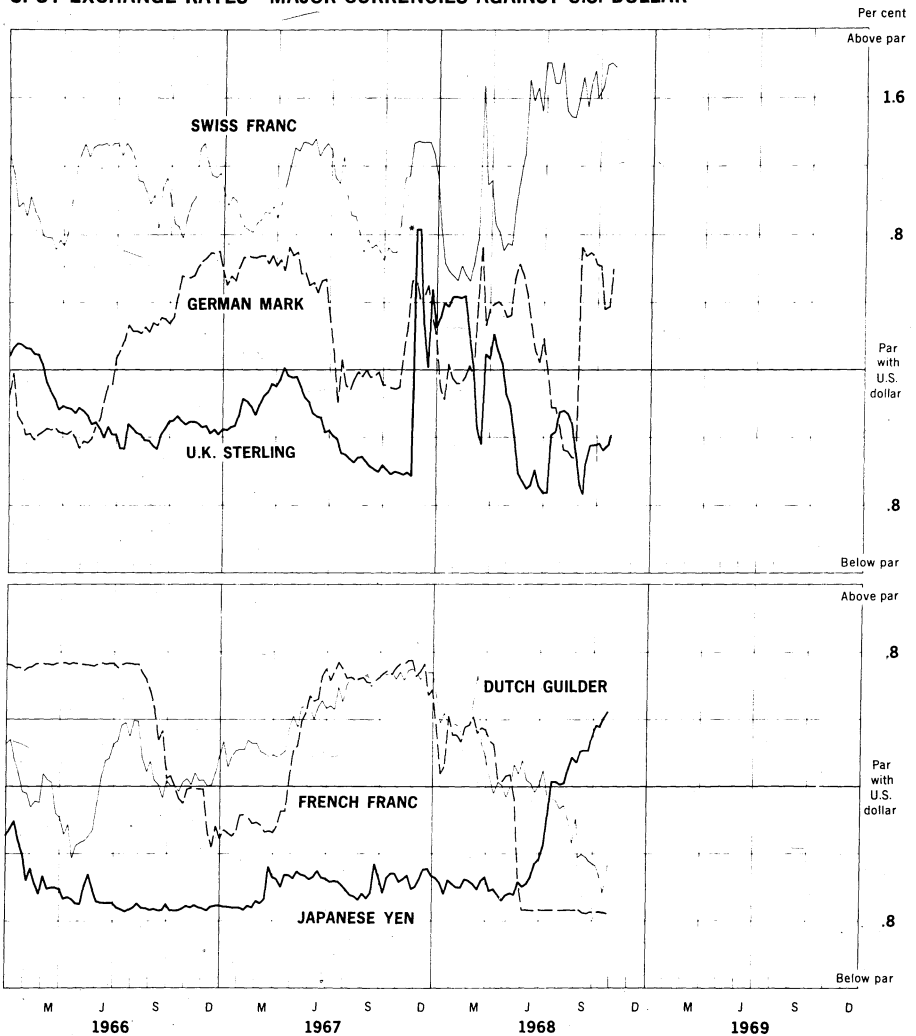
Per cent per annum



- Average of yields for four foreign government dollar bonds quoted in London
- New series for Germany starts 7 9 65
- New series for Switzerland starts 3 3 67
- New series for Netherlands starts 1 7 66
- New series for Switzerland starts 8 2 68

Chart 8A

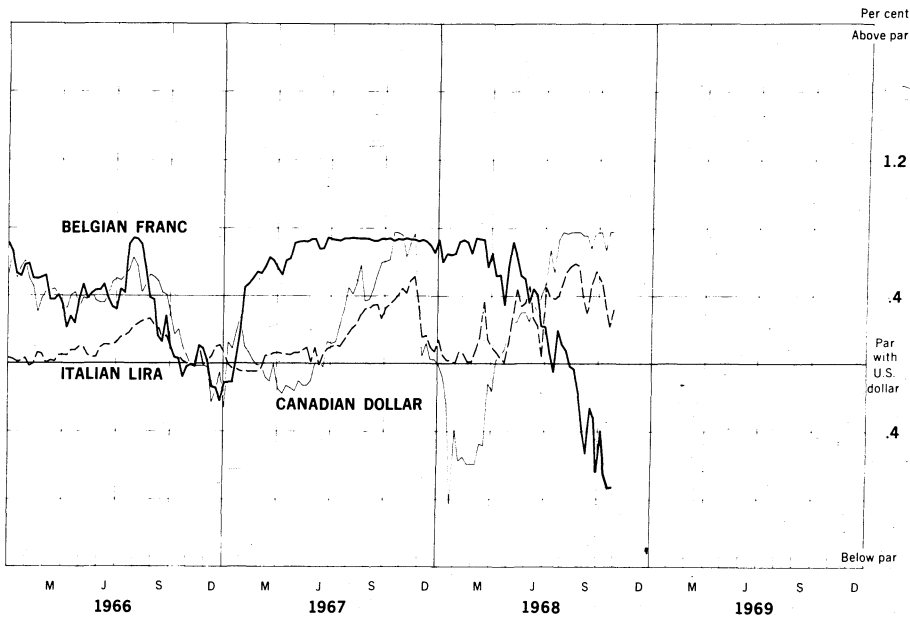
SPOT EXCHANGE RATES - MAJOR CURRENCIES AGAINST U.S. DOLLAR



*Devaluation of the pound sterling from \$2.80 to \$2.40

Chart 8B

SPOT EXCHANGE RATES - MAJOR CURRENCIES AGAINST U.S. DOLLAR



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Chart 9A

3-MONTH FORWARD EXCHANGE RATES

AGAINST U.S. DOLLARS—NEW YORK
Friday figures

Per cent per annum

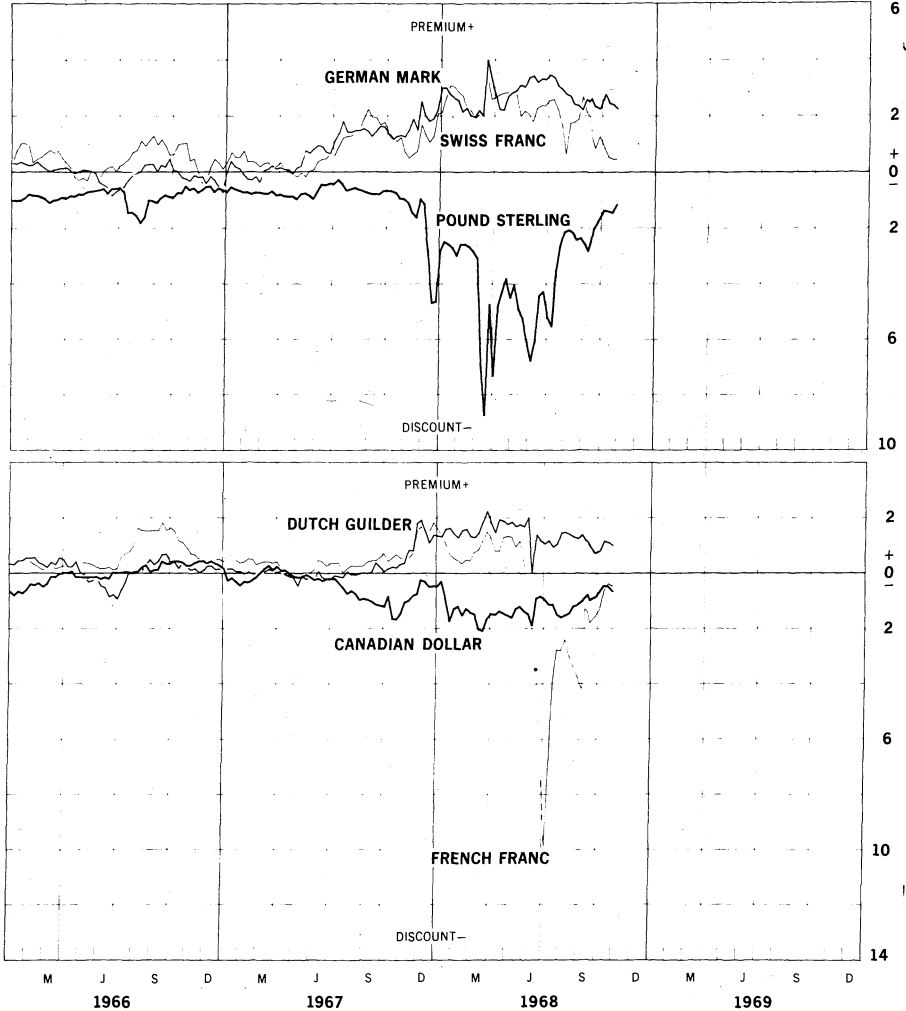


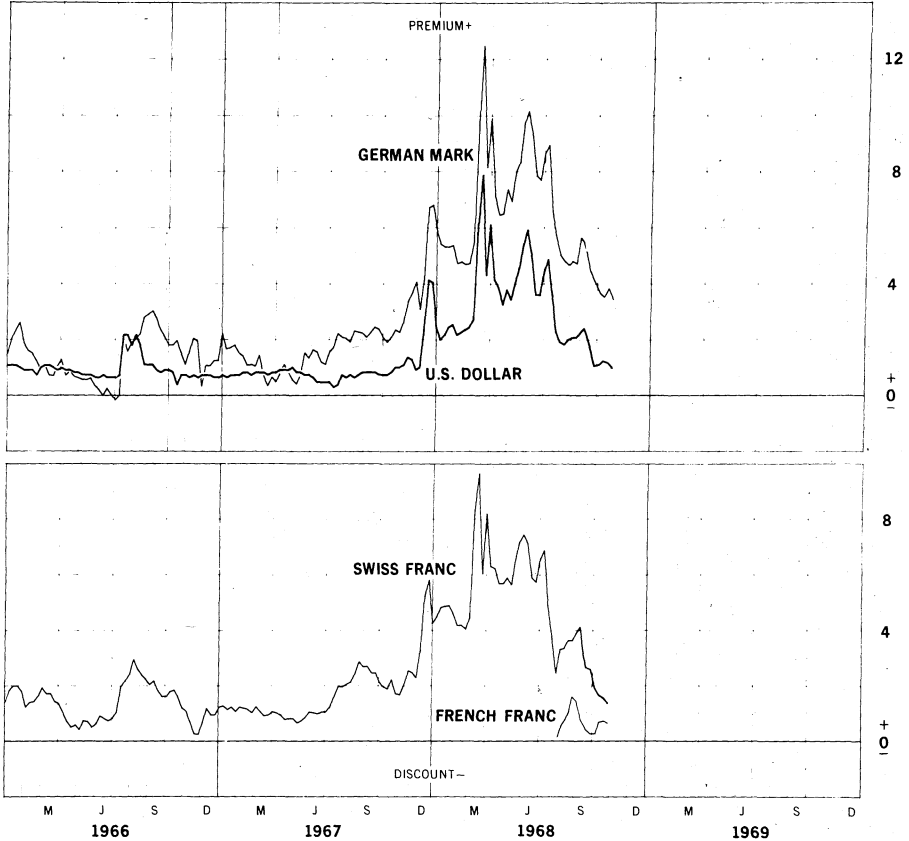
Chart 9B

3-MONTH FORWARD EXCHANGE RATE

AGAINST POUND STERLING—LONDON

Friday figures

Per cent per annum

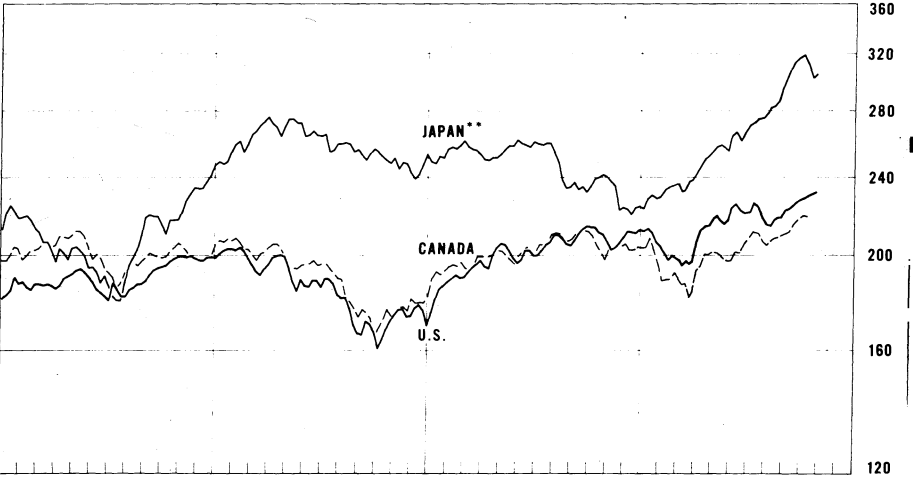
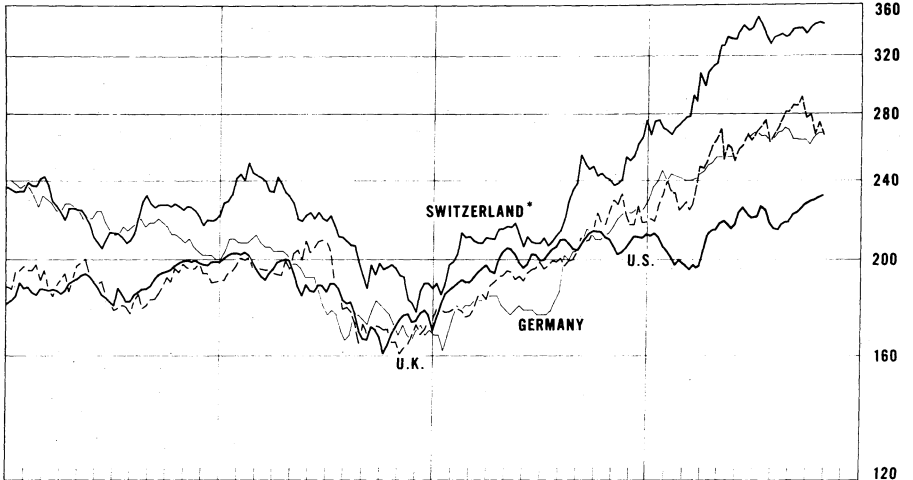


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Chart 10

INDUSTRIAL STOCK INDICES

1958:100
Ratio scale



* Swiss Bank Corporation industrial stock index
** Japan index of 225 industrial and other stocks traded on the Tokyo exchange

II. a. Latest Figures Plotted in H. 13 Series
(all figures in per cent per annum)

October 30, 1968. 16

Chart 1

Upper Panels (Wednesday, Oct. 23)

Euro- $\$$ deposit 6.38

U.S. certif. of deposit 5.98

Lower Panels (Wednesday, Oct. 23)

Call Euro- $\$$ deposit 6.20

Federal Funds 5.84

Chart 2A

Euro- $\$$ deposits (Friday, Oct. 25)

Upper Panel Call 6.12

30-day 6.44

Lower Panel 90-day 6.56

180-day 6.56

Chart 2B

Hire-Purchase (Oct. 18) 6.02

Local Authority (Oct. 18) 5.83

Euro- $\$$ deposit (Oct. 18) 6.59

Chart 3

I. Upper Panel (Period: Oct. 16-23)

Interbank Loan (mid-point) 4.75

Euro- $\$$ deposits (average) 4.11

Lower Panel (date: Oct. 16-23)

Zurich 3-mo. deposit 4.00

Euro- $\$$ rate (covered) (Oct. 23) 5.99

II. Price of Gold (London) 39.14

(average-week ended Oct. 25)

Chart 4

(Friday, Oct. 25)

Treasury bills: Canada 5.50

U.S. 5.37

Spread (favor Canada +) +0.13

Forward Canadian dollar -0.63

Net incentive (Canada +) -0.50

Canadian Finance paper 6.25

Chart 5A

(Friday, Oct. 25)

U.K. Local Authority deposit 7.19

Treasury bills: U.K. 6.38

U.S. 5.37

Chart 5B

Spread (favor U.K. +) +1.01

Forward rate -1.12

Net incentive (U.K. +) -0.11

Chart 6

Upper Panel (Friday, Oct. 25)

Treasury Bills U.S. 5.37

U.K. 6.38

Canada 5.50

Euro- $\$$ deposit (London) 6.56

Lower Panel

German Interbank loan rate
(Oct. 16-23) 4.75

Zurich 3-month deposit (Oct. 23) 4.00

Japan Composite Rate (Aug. 30) 7.49

U.S. Treasury bills (Oct. 25) 5.37

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II. b

October 30, 1968.

Chart 7

Upper Panel

U.S. Gov't. (Wed., Oct. 23) 5.28
Netherlands Govt. (Fri., Oct. 11) 6.48
Canadian Gov't. (Wed., Oct. 23) 7.04
Swiss Gov't. Composite
(Fri., Oct. 25) 4.37

Middle Panel

German Fed., (Fri., Oct. 25) 6.21
U.K. War Loan (Thurs., Oct. 24) 7.51
Euro- $\$$ bonds (Fri., Oct. 25) 7.56

Lower Panel

U.S. Euro-bonds (Sept. 30) 7.14
U.S. Corporate Aaa (Sept. 30) 5.97

Chart 8A
(Friday, Oct. 25)

Upper Panel

Swiss francs +1.78
German marks +0.60
U.K. \pounds sterling -0.38

Lower Panel

French francs -0.76
Dutch guilders -0.46
Japanese yens +0.45

Chart 8B
(Friday, Oct. 25)

Belgian francs -0.73
Canadian dollars +0.78
Italian lira +0.33

Chart 9A

(Friday, Oct. 25)

Against U.S. dollars

Upper Panel

Swiss francs +0.47
German marks +2.25
 \pounds sterling -1.12

Lower Panel

French franc -0.47
Dutch guilder +1.03
Canadian dollar -0.63

Chart 9B

(Friday, Oct. 25)

Against pound sterling

Upper Panel

German mark +3.42
U.S. dollar +0.98

Lower panel

Swiss franc +1.39

Chart 10

(Index; 1958 = 100)

Upper Panel

U.K. (Oct. 25) 267.1
Germany (Oct. 23) 268.2
Switzerland (Oct. 25) 344.2

Lower Panel

U.S. (Oct. 25) 231.7
Canada (Oct. 10) 219.0
Japan (Oct. 25) 305.5

For descriptions and sources of data, see Special Supplement No. 343-S
dated March 27, 1968.